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亞洲金融集團(控股)有限公司*
Asia Financial Holdings Ltd.
Incorporated in Bermuda with limited liability

(Stock Code: 662)

2015 INTERIM RESULTS

The board of directors (the "Board") of Asia Financial Holdings Limited (the "Company") announces the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30th June, 2015 as follows:

Condensed Consolidated Statement of Profit or Loss (Unaudited)

For the six months ended 30th June, 2015

	Notes	Six months ended 30th June, **2015** HK$'000	2014 HK$'000
REVENUE	3	**608,847**	678,126
Gross premiums		**608,847**	678,126
Reinsurers' share of gross premiums		**(176,996)**	(195,143)
Change in unearned premiums reserve		**24,320**	(6,468)
Change in life reserve		**(5,826)**	(3,542)
Net insurance contracts premiums revenue		**450,345**	472,973
Gross claims paid		**(198,419)**	(246,643)
Reinsurers' share of gross claims paid		**47,165**	73,315
Gross change in outstanding claims		**(106,089)**	(86,246)
Reinsurers' share of gross change in outstanding claims		**31,629**	(23,985)
Net claims incurred		**(225,714)**	(283,559)
Commission income		**31,014**	34,607
Commission expense		**(125,934)**	(142,921)
Net commission expense		**(94,920)**	(108,314)
Management expenses for underwriting business		**(28,441)**	(25,692)
Underwriting profit		**101,270**	55,408

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Condensed Consolidated Statement of Profit or Loss (Unaudited)

For the six months ended 30th June, 2015

	Notes	**Six months ended 30th June, 2015 HK$'000**	2014 HK$'000
Dividend income		**50,831**	44,042
Realised gain on investments		**33,333**	10,780
Unrealised gain on investments		**77,825**	64,175
Interest income		**35,328**	36,644
Other income and gains, net		**(16)**	(4,038)
		298,571	207,011
Operating expenses		**(59,316)**	(45,875)
Finance costs	4	**(1,203)**	(1,171)
		238,052	159,965
Share of profits and losses of joint ventures		**37,619**	17,930
Share of profits and losses of associates		**17,427**	29,844
PROFIT BEFORE TAX	5	**293,098**	207,739
Income tax expense	6	**(27,950)**	(10,836)
PROFIT FOR THE PERIOD		**265,148**	196,903
Attributable to:			
Equity holders of the Company		**260,051**	190,021
Non-controlling interests		**5,097**	6,882
		265,148	196,903
INTERIM DIVIDEND	7	**36,691**	30,576
INTERIM DIVIDEND PER SHARE	7	**HK3.6 cents**	HK3.0 cents
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	8		
Basic - For profit for the period		**HK25.5 cents**	HK18.6 cents
Diluted - For profit for the period		**N/A**	N/A

Condensed Consolidated Statement of Comprehensive Income (Unaudited)

For the six months ended 30th June, 2015

	Six months ended 30th June,	
	2015	2014
	HK$'000	HK$'000
PROFIT FOR THE PERIOD	**265,148**	196,903
OTHER COMPREHENSIVE INCOME		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Available-for-sale securities:		
Changes in fair value	**127,405**	245,481
Share of other comprehensive income/(expense) of joint ventures:		
Changes in available-for-sale investment reserve	**1,473**	(58)
Changes in exchange reserve	**(912)**	1,414
	561	1,356
Share of other comprehensive expense of associates:		
Changes in available-for-sale investment reserve	**(66)**	(90)
Changes in exchange reserve	**(1,242)**	(8,046)
	(1,308)	(8,136)
Exchange differences on translation of foreign operations	**23**	61
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**126,681**	238,762
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**391,829**	435,665
ATTRIBUTABLE TO:		
Equity holders of the Company	**386,744**	428,809
Non-controlling interests	**5,085**	6,856
	391,829	435,665

Condensed Consolidated Statement of Financial Position (Unaudited)

30th June, 2015

	Note	**30th June, 2015 HK$'000**	31st December, 2014 HK$'000
ASSETS			
Property, plant and equipment	9	**332,618**	337,592
Investment properties		**9,600**	9,600
Interests in joint ventures		**289,468**	254,438
Loan to a joint venture		**8,669**	8,669
Interests in associates		**343,925**	329,426
Due from an associate		**168,390**	168,390
Deferred tax assets		**1,913**	5,756
Held-to-maturity securities		**584,679**	554,224
Available-for-sale securities		**3,527,777**	3,400,372
Pledged deposits		**148,236**	131,730
Loans and advances and other assets		**159,872**	188,225
Securities measured at fair value through profit or loss		**2,026,887**	1,636,611
Insurance receivables		**239,730**	208,927
Reinsurance assets		**572,843**	554,315
Cash and cash equivalents		**2,013,861**	2,172,877
Total assets		**10,428,468**	9,961,152
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Issued capital		**1,019,200**	1,019,200
Reserves		**6,188,395**	5,838,342
Proposed dividend		**36,691**	50,960
		7,244,286	6,908,502
Non-controlling interests		**43,476**	38,391
Total equity		**7,287,762**	6,946,893
Liabilities			
Insurance contract liabilities		**2,465,887**	2,391,392
Insurance payables		**161,411**	138,144
Due to a joint venture		**26,065**	26,589
Due to associates		**4,222**	4,222
Other liabilities		**249,844**	244,713
Interest-bearing bank borrowing		**150,000**	150,000
Tax payable		**73,431**	49,353
Deferred tax liabilities		**9,846**	9,846
Total liabilities		**3,140,706**	3,014,259
Total equity and liabilities		**10,428,468**	9,961,152

Notes to the Interim Financial Statements (Unaudited)

1. Accounting Policies

The condensed consolidated interim financial statements are prepared in accordance with Hong Kong Accounting Standard No. 34 "Interim Financial Reporting". The accounting policies and basis of preparation adopted are consistent with those adopted in the Company's financial statements for the year ended 31st December, 2014 except for the adoption of the revised Hong Kong Financial Reporting Standards ("HKFRSs") and Hong Kong Accounting Standards ("HKASs"), which are effective for accounting period beginning on or after 1st January, 2015 and as disclosed below.

Amendments to HKAS 19 (2011)	*Defined Benefit Plans: Employee Contributions*
Annual Improvements 2010-2012 Cycle	Amendments to a number of HKFRSs
Annual Improvements 2011-2013 Cycle	Amendments to a number of HKFRSs

Adoption of these revised HKFRSs and HKASs did not have any material effect on the financial position or performance of the Group, nor resulted in restatement of comparative figures.

Notes to the Interim Financial Statements (Unaudited)

2. Operating Segment Information

(a) Operating segments

The following tables present revenue, profit/(loss) and certain asset and liability for the Group's operating segments.

Group	**Insurance**	**Corporate**	**Eliminations**	**Consolidated**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
For the six months ended 30th June, 2015				
Segment revenue:				
External customers	**608,847**	**-**	**-**	**608,847**
Other revenue, income and gains, net	**134,833**	**62,468**	**-**	**197,301**
Intersegment	**6,059**	**-**	**(6,059)**	**-**
Total	**749,739**	**62,468**	**(6,059)**	**806,148**
Segment results	**208,762**	**29,290**	**-**	**238,052**
Share of profits and losses of:				
Joint ventures	**25,121**	**12,498**	**-**	**37,619**
Associates	**17,692**	**(265)**	**-**	**17,427**
Profit before tax				**293,098**
Income tax expense	**(24,107)**	**(3,843)**	**-**	**(27,950)**
Profit for the period				**265,148**

Group	Insurance	Corporate	Eliminations	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000
For the six months ended 30th June, 2014				
Segment revenue:				
External customers	678,126	-	-	678,126
Other revenue, income and gains, net	94,334	57,269	-	151,603
Intersegment	2,098	-	(2,098)	-
Total	774,558	57,269	(2,098)	829,729
Segment results	124,417	35,548	-	159,965
Share of profits and losses of:				
Joint ventures	8,888	9,042	-	17,930
Associates	11,268	18,576	-	29,844
Profit before tax				207,739
Income tax expense	(9,358)	(1,478)	-	(10,836)
Profit for the period				196,903

Notes to the Interim Financial Statements **(Unaudited)**

2. Operating Segment Information (continued)

(a) Operating segments (continued)

Group	**Insurance**	**Corporate**	**Consolidated**
	HK$'000	**HK$'000**	**HK$'000**
30th June, 2015			
Segment assets	**5,513,326**	**4,281,749**	**9,795,075**
Interests in joint ventures	**178,235**	**111,233**	**289,468**
Interests in associates	**156,297**	**187,628**	**343,925**
Total assets	**5,847,858**	**4,580,610**	**10,428,468**
Segment liabilities	**2,826,339**	**314,367**	**3,140,706**

Group	Insurance	Corporate	Consolidated
	HK$'000	HK$'000	HK$'000
31st December, 2014			
Segment assets	5,379,882	3,997,406	9,377,288
Interests in joint ventures	154,822	99,616	254,438
Interests in associates	140,291	189,135	329,426
Total assets	5,674,995	4,286,157	9,961,152
Segment liabilities	2,674,742	339,517	3,014,259

(b) Geographical information

Over 90% of the Group's revenue and results are derived from operations carried out in Hong Kong, Macau and Mainland China.

3. Revenue

Revenue, which is also the Group's turnover, represents gross premiums net of discounts, from direct and reinsurance business underwritten during the period.

4. Finance Costs

	Six months ended 30th June,	
	2015	2014
	HK$'000	HK$'000
Interest on a bank loan wholly repayable within five years	**1,203**	1,171

Notes to the Interim Financial Statements (Unaudited)

5. Profit Before Tax

The Group's profit before tax is arrived at after crediting/(charging):

	Six months ended 30th June,	
	2015	2014
	HK$'000	HK$'000
Depreciation	**(7,189)**	(4,154)
Employee benefits expense (including directors' remuneration)	**(59,936)**	(47,897)
Minimum lease payments under operating leases in respect of land and buildings	**(556)**	(701)
Realised gain/(loss) on:		
- disposal of securities measured at fair value through profit or loss (held for trading), net	**33,293**	(1,412)
- disposal of available-for-sale securities	**54**	12,182
- redemption/call back of held-to-maturity securities	**(14)**	10
Total realised gain on investments	**33,333**	10,780
Unrealised gain on securities measured at fair value through profit or loss (held for trading), net	**77,825**	64,175
Interest income	**35,328**	36,644
Gain on disposal of items of property, plant and equipment	**109**	98
Write-back of impairment/(impairment) of insurance receivables	**1**	(6)
Dividend income from:		
Listed investments	**33,946**	36,117
Unlisted investments	**16,885**	7,925
Total dividend income	**50,831**	44,042

6. Income Tax Expense

Hong Kong profits tax has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the locations in which the Group operates.

	Six months ended 30th June,	
	2015	2014
	HK$'000	HK$'000
Group:		
Current – Hong Kong		
Charge for the period	**20,545**	6,862
Current – Elsewhere		
Charge for the period	**3,562**	2,619
Deferred	**3,843**	1,355
Total tax charge for the period	**27,950**	10,836

7. Dividend

	Six months ended 30th June,	
	2015	2014
	HK$'000	HK$'000
Proposed interim dividend:		
HK3.6 cents (2014: HK3.0 cents) per ordinary share based on 1,019,200,000 (2014: 1,019,200,000) shares in issue	**36,691**	30,576

The Board has resolved to pay an interim dividend of HK3.6 cents per share (2014: HK3.0 cents), which will be paid in cash, for the six months ended 30th June, 2015 payable on or about 25th September, 2015 to shareholders whose names appear on the Register of Members of the Company as at the close of business on 16th September, 2015.

8. Earnings Per Share Attributable to Ordinary Equity Holders of the Company

The calculation of the basic earnings per share is based on the profit for the period attributable to ordinary equity holders of the Company of HK$260,051,000 (2014: HK$190,021,000) and 1,019,200,000 (2014: 1,019,200,000) ordinary shares in issue during the period.

No adjustment has been made to the basic earnings per share amounts presented for the periods ended 30th June, 2015 and 2014 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those periods.

9. Property, Plant and Equipment

During the period ended 30th June, 2014, the Group completed the acquisition of a property with a cost of HK$173,600,000.

Management Discussion and Analysis

(All changes in % refer to the same period last year)

Profit attributable to equity holders of the Company:	HK$260.1 million	+36.9%
Earnings per share:	HK25.5 cents	+37.1%
Interim dividend per share:	HK3.6 cents	+20.0%

Asia Financial Holdings Limited ("Asia Financial") recorded net profit attributable to shareholders of HK$260.1 million in the first half of 2015, a 36.9% increase over the same period in 2014. This rise reflected healthy increase in underwriting profits, and realised and unrealised gains in the value of portfolio investments. The results of most of our joint ventures and associates were also positive. Except for some start-up expenses incurred, our expenses remained in line with inflation.

Prospects for the second half of the year are clouded by uncertainties facing global markets. Looking ahead, our focus remains very much on the insurance, retirement and other individual and family services sectors in Asia, which will be increasingly important to our longer-term direct investment strategy.

Economic Background

Hong Kong and the rest of Greater China saw slowing economic growth in the first half of 2015. Mainland China is experiencing weakening overseas demand and gradual sectoral rebalancing. This affected Hong Kong – most visibly in terms of slowing tourist numbers and spending. However, Hong Kong's domestic demand and employment levels remained strong. On the whole, continued domestic economic strength created a positive environment for Asia Financial's insurance operations.

Markets generally performed well in the first half of 2015, and this benefited our net profit for the period. Specifically, the Hang Seng Index rose 11.2% in the year to mid-2015 and H Shares rose 8.3%, while the main US indices remained roughly level.

Management Approach and Future Prospects

The global outlook at mid-2015 is not encouraging. China's structural readjustment is likely to continue affecting global demand for commodities and Hong Kong services exports. The recent sharp drop in China's stock market – which has also affected the Hong Kong market – suggests poorer returns on equities in the second half of the year and possible weakening of mainland and local consumer spending. The United States is likely to experience its first interest rate increases in nine years, which also points to possible softening of asset prices. In the background are potential problems in the euro zone arising from the Greek debt crisis. On a brighter note, we expect Hong Kong's fundamentals as a market to remain attractive, with its currency stability, absence of any significant capital outflow and its leading role as a financial centre.

Management Approach and Future Prospects (continued)

Given this broadly unfavourable medium-term global outlook, Asia Financial's management strategy is to maintain a conservative core investment approach and prudent policies in such areas as cost control in the pursuit of long-term growth in shareholder value. Medium-term prospects for Asia Insurance are positive, thanks in particular to continued strength in Hong Kong infrastructure and construction. We will actively continue to anticipate changes in the market by reviewing and optimizing our mix of business segments. We are also monitoring possible future progress in the expansion of private health coverage in Hong Kong.

The longer-term outlook gives us continued cause for optimism. Despite some inevitable challenges, China's leadership seems determined to continue structural adjustment through increased consumption, urbanization and financial and other reforms. Other parts of East Asia are continuing their own long-term reforms and development. The region is in the midst of a major transformation involving the rise of large middle classes, gradually aging societies and greater use of market-based solutions to demographic and other policy challenges.

This is the long-term environment on which Asia Financial's management focuses. We will continue to build on our interests in livelihood-related service industries such as insurance, retirement, health and property development, focused on Greater China and elsewhere in Asia. Our existing range of investments fits well with our traditional expertise and networks of clients and partners, and is well-positioned to benefit from long-term economic and social trends. In considering ways to build upon this base, we will adhere to this fundamental approach and exercise patience and caution.

Overview by Investment Segments

<u>Insurance</u>

Wholly owned subsidiary, Asia Insurance Company, Limited ("Asia Insurance") achieved profit attributable to shareholders of HK$229.0 million in the first half of 2015, a 68.6% increase compared with the same period in 2014.

Turnover fell by 10.1% as Asia Insurance reduced exposure to segments experiencing intense competition in pricing, mostly like property insurance and employees' compensation. This selective response to market conditions contributed to the very healthy 82.4% growth in underwriting profit. (All the above figures are before elimination of intergroup transactions.) This was helped by an absence of exposure to certain major catastrophes in earlier periods or to more recent natural disasters.

The growth in underwriting profit reflects Asia Insurance's continued status as a leader in Hong Kong's general insurance market with a very sound reputation and a loyal client base.

Overview by Investment Segments (continued)

Insurance (continued)

Unrealised gains in investments rose significantly, reflecting in particular the strong year-on-year performances in core holdings. Realised gains on investments were in line with market performance. Dividend income was steady and in line with overall yields. Other income improved, reflecting the disposal gain in property and reduction in foreign-exchange revaluation loss. Asia Insurance has no significant direct exposure to vulnerable European sovereign debt and related investments.

There were no significant changes to the size and reach of our agent network. Asia Insurance kept costs in line with inflation and market trends in pay.

The outlook for profit growth in Asia Insurance's core underwriting activities looks reasonable for the second half of 2015 and beyond. We will continue to utilize our risk management expertise to focus on quality business and optimize the mix of business segments, especially in our core market of Hong Kong. This strength plays an important role in ensuring healthy underwriting profitability.

Investment performance is likely to be affected by the poorer global and regional outlook in terms of economic performance and interest rate policy. Under these generally negative conditions, we will maintain a prudent approach towards portfolio management.

Joint ventures and associates in the insurance segment delivered good results in the first half of 2015. The People's Insurance Company of China (Hong Kong) Limited achieved a healthy increase in profit, as did BC Reinsurance Limited; both were helped by good investment returns. Hong Kong Life Insurance Limited enjoyed stable performance, while Professional Liability Underwriting Services Limited continued to deliver steady results. Looking further ahead, all these companies look well positioned for future development.

PICC Life Insurance Company Limited ("PICC Life"), in which Asia Financial has a 5% stake, continues to take advantage of its opportunities as a company with a nationwide licence. PICC Life reported RMB67.0 billion in premium income for the first half of 2015, a 15.5% increase over the same period in 2014. All other business performance and risk control indicators showed positive and healthy figures. PICC Life's insurance liability reserves and solvency ratio were maintained at high levels in line with the business volume. This stake is Asia Financial's single biggest external holding, accounting for 14.6% of our total assets.

Management Discussion and Analysis (continued)

Overview by Investment Segments (continued)

Other Portfolio Investment

Realised and unrealised year-on-year gains on trading investments showed healthy increases in the first half of 2015. This particularly reflected gains in the Hong Kong market. Returns from non-traded investments saw a satisfactory rise. Net interest income weakened in line with a reweighting away from bonds. Income from other subsidiaries declined year-on-year, following the disposal of assets in the first half of 2014.

Asia Financial has no direct exposure to vulnerable European sovereign debt. Secondary exposure via equity and fund investments is limited by our policy of diversification and focus on quality, while our fixed income investments are of investment grade or above. Ever since the extreme volatility of world markets in 2008-09, we have adopted a particularly prudent attitude towards management of our portfolio investments. In view of the ongoing uncertainty concerning future economic growth and monetary policy in all major economies, our investment strategy will remain cautious but flexible. Regardless of year-on-year fluctuations in market valuations, we will continue to place the highest priority on preservation of core shareholder wealth. At the same time, we will remain alert to strategic and long-term opportunities arising from structural changes in the international environment.

Health Care and Wellness

Our 3.6% holding in Bumrungrad Hospital Public Company Limited (“Bumrungrad”) in Bangkok remains one of our best-performing investments, with its valuation rising 29.1% for the first half of the year. This reflects continued recognition in the market of Bumrungrad’s success in attracting patients internationally through the delivery of high-quality medical services. This success looks likely to continue.

Asia Financial’s stake in Ulaanbaatar Songdo Hospital (“UBSD”), one of the leading hospitals in the capital of Mongolia, comprises a 20% share in a consortium with Bumrungrad; the consortium has a 51% stake in UBSD. This is an opportunity to participate in future growth in Mongolia’s health-care sector and forms an attractive long-term addition to our portfolio of investments in regional companies focusing on personal coverage and care services.

The Kinnet, our wholly owned Hong Kong wellness centre aimed at healthy aging, opened last October. Facilities include a well-equipped fitness centre, studios and a café. The venture benefits from a board of respected advisors in relevant health and social fields. So far, we are building awareness in the market and spending efforts on increasing the number of cardholders. We are exploring possible partnerships with other organizations in order to build the client base.

We continue to foresee good prospects in the health and wellness sectors in the region, owing to long-term demographic and policy trends, and we continue to consider further opportunities.

Management Discussion and Analysis (continued)

Overview by Investment Segments (continued)

Pension and Asset Management

The Group's holding in Bank Consortium Holding Limited ("BCH"), one of our joint ventures, continued to enjoy growth in assets under management and achieved an acceptable increase in profit in the first half of 2015, helped by the rise in market values. Bank Consortium Trust Company Limited ("BCT"), a wholly owned subsidiary of BCH, remains one of the top five providers of Mandatory Provident Fund services in Hong Kong. It is also successful in providing services to third parties in the sector.

Property Development

The Group's interests in real estate are focused on Shanghai and represent 3.2% of our total assets. The main project is a residential and commercial complex in Jiading in Shanghai, in which we have a 27.5% stake. After successful sales of Phases 1 and 2 in past years, construction of Phase 3 should begin by end-2015.

Work on a smaller site is now underway. Although government regulations to discourage speculation are still in place, the units at this project are attractively designed and demand has proved very healthy, with the majority of units offered already sold. Profits from this project will be booked upon occupation, which will commence in 2016.

Prospects for China's residential property market and future policy are subjects of considerable discussion. We are confident that where financing is concerned, existing capital and cash flow are fully sufficient. We are also confident that our projects contribute to a socially positive housing market, being aimed at middle-class end-users in a competitive local market. We will consider new possible opportunities in this sector.

Liquidity, Financial Resources and Gearing Ratio

The Group's cash and cash equivalents as at 30th June, 2015 amounted to HK$2,013,861,000 (31st December, 2014: HK$2,172,877,000).

The Group had a bank borrowing of HK$150,000,000 as at 30th June, 2015 (31st December, 2014: HK$150,000,000), which was secured by certain Hong Kong listed shares, repayable on or before 30th January, 2016 and charged at 1.25% over the 3-month Hong Kong Interbank Offered Rate per annum.

No gearing ratio was calculated as the Group had no net debt as at 30th June, 2015. The gearing ratio was based on net debt divided by total capital plus net debt. Net debt includes insurance contract liabilities, insurance payables, amounts due to a joint venture and associates, interest-bearing bank borrowing and other liabilities, less cash and cash equivalents and securities measured at fair value through profit or loss. Capital represents equity attributable to equity holders of the Company.

The Group's liquidity position remains strong and the Group has sufficient financial resources to satisfy its commitment and working capital requirements.

Charge on Assets

As at 30th June, 2015, Asia Insurance charged assets with a carrying value of HK$128,579,000 (31st December, 2014: HK$128,853,000) in favour of a cedant to secure the performance of Asia Insurance's obligations to the cedant under certain pecuniary loss reinsurance contracts.

The Group also pledged certain equity securities listed in Hong Kong classified as available-for-sale securities and securities measured at fair value through profit or loss with fair value of not less than HK$150,000,000 (31st December, 2014: HK$150,000,000) to a bank to secure the interest-bearing bank borrowing of HK$150,000,000 (31st December, 2014: HK$150,000,000).

Contingent Liabilities

As at 30th June, 2015, there was an outstanding counter guarantee of RMB112.5 million (approximately HK$140.6 million) (31st December, 2014: RMB112.5 million) issued by the Company in favour of The People's Insurance Company (Group) of China Limited (the "PICC Group"), representing 5% of all the liabilities and expenses under a master guarantee provided by the PICC Group. The master guarantee is to secure the repayment of a 10-year subordinated term debt of RMB2.25 billion issued by PICC Life Insurance Company Limited. The counter guarantee will expire on 25th April, 2019.

Employees and Remuneration Policy

The total number of employees of the Group as at 30th June, 2015 was approximately 294 (31st December, 2014: 281). Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration of the employees includes salary and discretionary bonus which is based on the Group's results and individual performance. Medical and retirement benefit schemes are made available to all levels of personnel. There was no share option scheme in operation during the six months ended 30th June, 2015. The Group also offers various training and induction programmes to its employees.

The remuneration policy of the Group is formulated and recommended by the Remuneration Committee of the Company for the Board's approval. The Remuneration Committee's responsibilities include reviewing and approving the management's remuneration proposals, and making recommendations to the Board on the adjustments to remuneration packages payable to directors, senior management and employees of the Group.

Purchase, Sale or Redemption of the Company's Shares

During the six months ended 30th June, 2015, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

Corporate Governance Code

The Company has complied with the Code Provisions set out in the Corporate Governance Code contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited throughout the six months ended 30th June, 2015, with a deviation from Code Provision A.6.7, namely, Dr. WONG Yu Hong Philip, an independent non-executive director of the Company, was unable to attend the Company's Annual General Meeting held on 20th May, 2015 as he was not in Hong Kong due to other commitment.

Review of Interim Financial Statements

The Audit Committee of the Company has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30th June, 2015 and recommended it for the Board's approval.

Interim Dividend

The Board has resolved to declare an interim cash dividend of HK3.6 cents (2014: HK3.0 cents) per ordinary share for the six months ended 30th June, 2015 payable on or about Friday, 25th September, 2015 to shareholders whose names appear on the Register of Members of the Company on Wednesday, 16th September, 2015.

Closure of Register of Members

The Register of Members of the Company will be closed from Monday, 14th September, 2015 to Wednesday, 16th September, 2015, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 11th September, 2015.

Publication of 2015 Interim Results and Interim Report

This results announcement is published on the Company's website at www.afh.hk and the HKExnews website at www.hkexnews.hk. The 2015 Interim Report will be despatched to the shareholders and available on the same websites on or about Tuesday, 8th September, 2015.

By Order of the Board
Asia Financial Holdings Limited
CHAN Yau Hing Robin
Chairman

Hong Kong, 13th August, 2015

As at the date of this announcement, the executive directors of the Company are Dr. CHAN Yau Hing Robin (Chairman), Mr. CHAN Bernard Charnwut (President), Mr. TAN Stephen, Mr. WONG Kok Ho; the non-executive directors are Mr. SOPHONPANICH Choedchu, Mr. NG Song Hin, Ms. CHAN Yeow Toh, Mr. YAMAGUCHI Yoshihiro, Mr. TANAKA Junichi; and the independent non-executive directors are Ms. CHOW Suk Han Anna, Mr. MA Andrew Chiu Cheung, Mr. SIAO Chi Lam Kenneth, Dr. WONG Yu Hong Philip and Mrs. LAI KO Wing Yee Rebecca.

* *For identification purpose only*